

Healthcare Industry: Economic Outlook

*St. Luke's Health System Presentation to the Idaho State
Economic Outlook & Revenue Assessment Committee*

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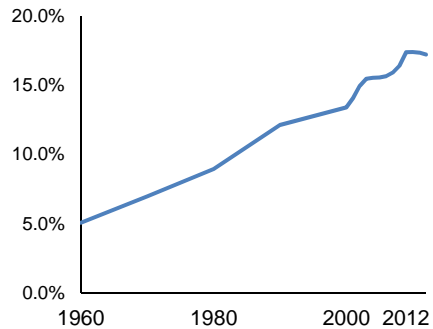
January 8th, 2015



Idaho Health Spending

Federal Spending:

17.2% of GSP¹
US Trend⁴: 1960-2012



Idaho Spending^{2,3}:

~\$8.7 Billion (15.1% GDP)

Southwest Idaho:

Total Lives: 775,000

St. Luke's: \$1.9 B

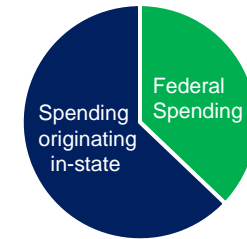
Other: \$3.5 B

Total: \$5.4 B

\$3.3 Billion

\$5.4 Billion

Income Origin (Est)³



Sources: ¹CMS; ³Kaiser Family Foundation; ³SLHS projections

Take Care Forward.

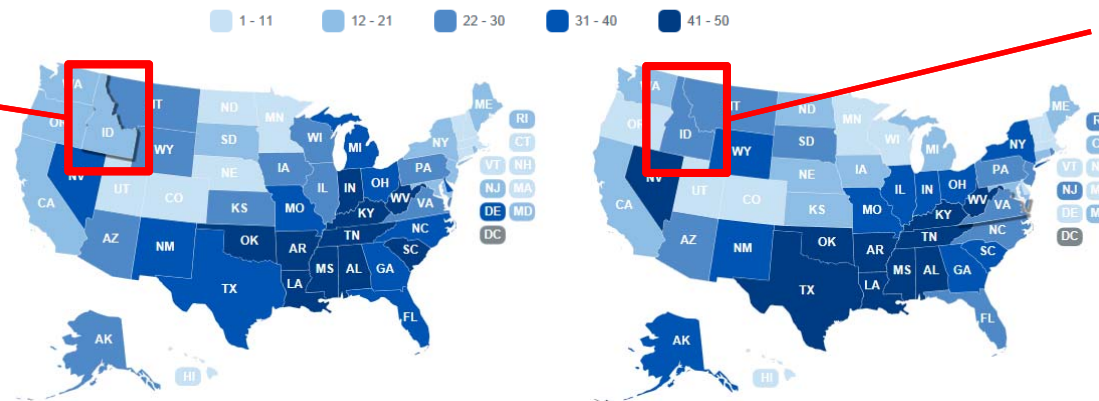
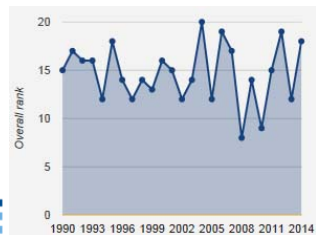
Reasons for Industry Growth

- Health Services Accessed by Newly Insured
- Population Growth Projections¹:
 - Regional Growth: **20% by 2025** (SLHS Service Area)
 - Elderly Population Grows **12%** Faster Than <65 Population
- Population's Health (America's Health Rankings)²:

Rank All Ages:

2015 18th

Trend:



Rank: Elderly (65+)

Trend:

2013: 21st

2014: 25th

**Additional Data Not Available*

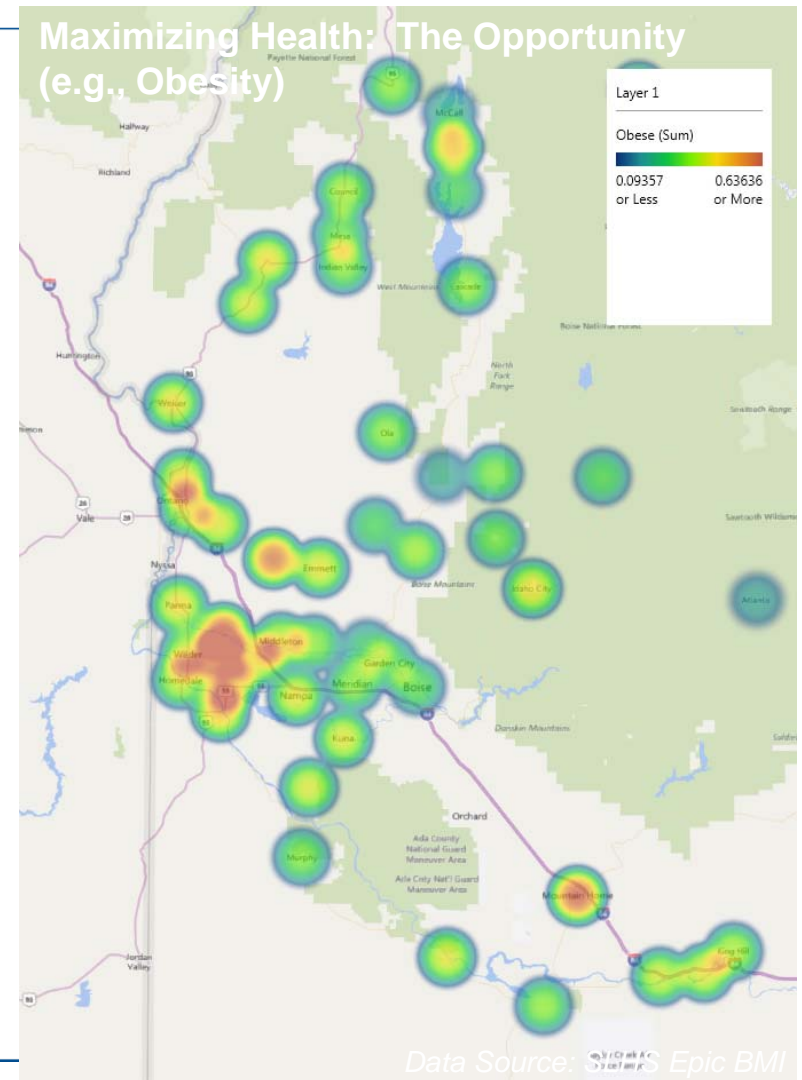


Sources: ¹SLHS projections; ²<http://www.americashealthrankings.org/states>

Take Care Forward.

Industry Growth (cont)

- **Positive Health Indicators (Examples)**
 - Preventable Hospitalizations (3rd Nationally)
 - Heart Attack & Stroke (7th Nationally)
 - Smoking (15th Nationally)
- **Challenged Health Indicators (Examples)**
 - Lack of Health Insurance (36th Nationally)
 - Immunizations in Adolescents (41st Nationally)
 - Suicide (44th Nationally)
 - Primary Care Providers (50th Nationally)

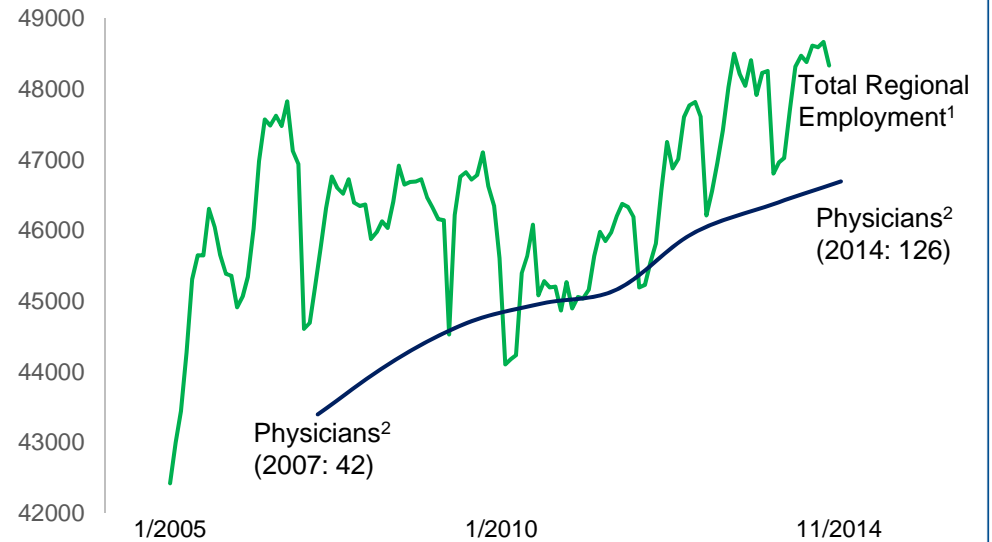


Magic Valley Case Study



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Twin Falls MSA – Employment Trends



Sources: ¹US Department of Labor Twin Falls Micropolitan Statistical Area; ²SLHS

2013 Economic Impact Study (All Idaho Hospitals)

The Total Economic Impacts of Idaho's Hospitals on Idaho's Economy
(Excluding Oregon Hospitals)

Hospitals			
Sales	Earnings (Payroll)	Jobs	Taxes
\$5,166,405,426	\$2,131,320,693	43,747	\$89,537,928
Hospital Dependent Physician and Medical Services			
Sales	Earnings (Payroll)	Jobs	Taxes
\$2,144,482,544	\$1,009,522,474	24,741	\$59,051,974
Patient Support			
Sales	Earnings (Payroll)	Jobs	Taxes
\$120,341,525	\$39,461,735	1,448	\$6,686,859
Total			
Sales	Earnings (Payroll)	Jobs	Taxes
\$7,431,229,495	\$3,180,304,903	69,936	\$155,276,761



Health Care Industry Growth Forecast

National Growth Projections¹:

- 5.7% Annually through 2023
(1.1% above GDP)

SLHS Income
Origin (Est)²

